



Kentucky CMRS* Board/ Office of the 911 Coordinator

FY 2014 Annual Report

July 2013– June 2014

*Commercial Mobile Radio Service

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Message From the CMRS Board Chairman

To the “First” First-Responders

First, I would like to express my sincere appreciation to all of the 9-1-1 Telecommunications Professionals working in our great Commonwealth. I would also like to express my personnel gratitude and ever increasing respect for my fellow board members and the talented and dedicated staff of the CMRS Board Office.

Your Commercial Mobile Radio Service (CMRS) Board has had a very active year.

Next Generation 9-1-1

Your CMRS Board is continually exploring new opportunities for the advancement of NG9-1-1 solutions that may offer dependable cost-effective NG9-1-1 service to our citizens. New ground work is currently under way to enhance the quality of the communications transmission infrastructure made available to our PSAPs and end users.

We continue to engage various vendors in the establishment of working models of interconnectivity utilizing the legacy networks operating within the Commonwealth. These working models cross not only legacy systems but also every type of geopolitical boundary, clearly demonstrated the technical abilities of those involved in the delivery of 9-1-1.

Digital Mapping

Mapping remains a “Hot Button” issue in 9-1-1 due to the total dependence of digital mapping in NG 9-1-1. The committee of subject-matter experts that the CMRS Board has assembled is prepared to report on the established guidelines and best practices to help us help PSAP’s provide digital mapping that will complete a statewide map that is usable for 9-1-1.

PSAP Grants

Once again this year the CMRS Board offered a round of PSAP grants. A portion of these grants were aimed primarily at providing resources to agencies that are moving toward NG911. Other portions were used for dire circumstances and still others were dedicated to consolidation efforts undertaken by certified PSAPS.

The CMRS Board remains dedicated to the support and improvement of quality 9-1-1 services to the citizens of the Commonwealth of Kentucky.

Yours in Public Service,

Dale W. Edmondson

Chairman, Kentucky CMRS Board



Message From the Executive Director

Steven L. Beshear
Governor



Joe Barrows
Executive Director

OFFICE OF THE GOVERNOR
KENTUCKY OFFICE OF HOMELAND SECURITY
Office of the 911 Coordinator/
CMRS Board

On behalf of the members and staff of the CMRS Board, I am pleased to present the FY2014 Annual Report of the CMRS Board of Kentucky.

For the Board, FY2014 meant a continuation of the efforts to address the two outstanding issues facing the delivery of 911 services in Kentucky, to wit: funding and modernization of the system.

Funding of 911 services remains a critical issue in two ways. First, local governments are stretched thin in maintaining the existing level of service because, for the last five years, local revenues from landline fees have decreased every year and state contributions from the CMRS fund have not increased during that time.

The second funding issue is tied directly to the modernization of 911 that will have to take place not only in our state but across the country if we hope to cope with modern communication technologies. Kentucky cannot replace its antiquated analog voice-only 911 system with a Next Generation 911 digital network with the capacity to handle voice, text, video data, and much more without additional resources – plain and simple.

The aspect of 911 modernization that will eventually provide the public and policymaker support for the transition to NG911 is “Text to 911.” The FCC has been and will continue to push service providers and states to provide the capacity for citizens to be able to text to PSAPs in emergencies. The “best” way to text is across IP networks currently being used by almost everyone with a wireless device—but it won’t work if you need to use text to “call” your 911 center.



On the funding side, efforts by the Board to collect and evaluate information on revenues and expenditures for 911 have improved each year since SB119 was adopted in 2011. That information clearly reveals that the “wireless” world is not bearing its fair share of the costs to provide 911 service. The total fees contributed by cell phones pay less than 25% of the costs while making 75% of the 911 calls.

Moreover, prepaid phones do not support the system at the wireless fee rate of 70¢ per phone per month. Those cell phones using prepaid minutes contribute on average less than 35¢ per month.

Eliminating the contribution disparity between “prepaid” and “postpaid” cell phones and raising the state wireless fee would solve both the immediate funding issues and provide the resources to give Kentuckians the modernized Next Generation 911 system they deserve and will come to expect.

Sincerely,

Joe Barrows

Executive Director

Kentucky Office of the 911 Coordinator/CMRS Board



CMRS BOARD MEMBERS



Dale Edmondson



Joe Barrows



Charles Willis



Mjr. John Bradley



Forest Skaggs



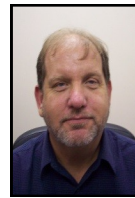
Shelby Horn



Dan Kemp



Steve Tracy



Mike Phillips



Vacancy*

Dale Edmondson is the 911 Director for Campbell County Consolidated Dispatch. He serves as a representative of Directors of a certified public safety answering point operated by a local government entity or a consolidated group of local government entities. His term will expire on August 15, 2015

Joe Barrows is the Administrator of the Kentucky CMRS Board and the State 911 Coordinator. He serves by virtue of the position.

Charles Willis is the Vice President of Telecom Services with Bluegrass Cellular. He serves as a representative of Tier III CMRS Providers. His term will expire on August 15, 2015.

Major John Bradley serves as the Kentucky State Police Commissioner's Designee. He serves by virtue of the position.

Forest Skaggs is the Executive Director of the Kentucky Telecom Association and serves as a representative of local exchange landline telephone companies. His term expires on August 15, 2018.

Shelby Horn is the 911 Director for Jessamine County E911. She serves as a representative of the Kentucky Emergency Number Association and

the Association of Public Safety Communication Officials. Shelby's term will expire on August 15, 2017.

Steve Tracy is the E911 Coordinator for the City of Versailles. He serves as a representative of the Kentucky Emergency Number Association and the Association of Public Safety Communications Officials. His term expires August 15, 2015

Mike Phillips is the Director of Emergency Services for Bullitt County. He serves as a representative of the Kentucky Firefighters Association, the State Association of Chiefs of Police, and the Kentucky Ambulance Providers Association. His term expires August 15, 2015.

Dan Kemp is the mayor of Hopkinsville, serving to represent mayors of a city of the first or second class or urban-county government. His term expires August 15, 2016.

*Vacancy for a representative of all CMRS providers. At the time of publication, **Jerome McNear** of AT&T had been appointed to fill the vacancy. His term will expire August 15, 2018.

CMRS BOARD STAFF



Joe Barrows
Executive Director



Tandy Hubbard
Deputy Administrator



Krista Harrod
Policy Advisor



Zachary Myers
Administrative Specialist

Joe Barrows was appointed by Governor Beshear as the State 911 Coordinator and hired by the CMRS Board as its Executive Director in July 2009, but his familiarity with CMRS goes back more than 10 years. Joe, an attorney from Versailles, served 27 years in the General Assembly as the State Representative from Woodford County. He served 10 years as the majority Whip. In 1998 he sponsored HB 673 which created the CMRS Board and HB 656 which updated the original legislation and created the CMRS Grant Fund. KENA/APCO recognized Joe for a career of legislative contributions to the 911 community.

Tandy Hubbard joined the Office of the 911 Coordinator/CMRS Board in May 2005 after serving as an intern during the summer of 2004. Tandy Graduated Magna Cum Laude from the University of Kentucky in August 2005 with a Bachelor of Arts Degree in Integrated Strategic Communications with an emphasis in Geography. Tandy manages the CMRS grant program and handles the financial and office management responsibilities of the Board, serves as a liaison between the PSAPs and the Board and is also involved in the Next Generation 911 Projects the Board has embarked upon.

Krista Harrod joined the team in June 2010 as a summer intern and is now a Policy Advisor full-time with the CMRS Board. Krista has a Bachelor's Degree in Accounting as well as an Associates Degree in Culinary Arts. Krista assists with the financial responsibilities of the Board, is in charge of Carrier and EFT payments remitted to the Board and is a grant manager for the CMRS Board's PSAP Grant program.

Zachary Myers came onboard in February 2014 as an interim Administrative Specialist. Zachary has a Bachelor of Science Degree in Political Science from Campbellsville University and is currently pursuing a Master in Public Administration from the Martin School of Public Policy and Administration at the University of Kentucky.

Fiscal Year 2014 Highlights

June 2013

– CMRS Board approves grants totaling over \$4.25 million to some 57 recipients with the emphasis on projects reflecting the State 911 Plan and interim steps toward NG911 capacity.

August 2013

– Board member Brad Johnson, representing CMRS providers, resigns from Board after taking a new position with a company that is not a wireless service provider.

October 2013

– First meeting of the special GIS Working Group commissioned by the Board and facilitated by RCC consultants to review and report on Kentucky's current 911 GIS mapping and addressing standards and how the process to acquire, maintain, and utilize the data will change to accommodate Next Generation 911's greater dependence on GIS.

November 2013

– Oral arguments in the Virgin Mobile case are heard by the Kentucky Supreme Court at a special session of the Court held at Northern Kentucky University.

December 2013

– TracFone case is finalized. Board receives check of \$4.8 million. Individual PSAP shares of the proceeds in the amount of \$2.9 million are distributed right before Christmas.

February 2014

– Staff promotions for Tandy Hubbard to Deputy Administrator and Krista Harrod to Policy Advisor are approved. Zachary Myers is added as an interim employee.

April 2014

– Legislature adjourns. HB391, which addresses 911 funding, is not enacted but more attention is focused on the issue.

May 2014

– Board receives 60 applications requesting approximately \$9 million for the 2014 grant cycle.



Report on 911 Revenue and Expenditures

Senate Bill 119 was passed during the 2011 Regular Session of the Kentucky General Assembly. It directs the CMRS Board to gather and report data and information regarding 911 funding and costs in Kentucky by August 1, 2011 and annually thereafter. Senate Bill 119 is now KRS 65.7630.

KRS 65.7630 allows the Board to determine the information it needs to evaluate 911 funding and costs. The Board put a plan in place to acquire more information from local governments, state governmental agencies, and wireless and wireline service providers. This report contains the third analysis of the information the Board has acquired in response to KRS 65.7630 requirements.

Information gathered pursuant to this statute provides basis for an historical analysis of 911 funding with an eye on funding options for the future.

Revenues

Funding for 911 comes from three primary sources: locally enacted 911 fees most commonly collected on bills for 'landline' phone service; the state imposed 911 fee on cell phone service (CMRS fund); and other local general funds appropriated by cities and counties.

Some local governments aware of the demise of landline phones and the effect on 911 resources, have boldly enacted local ordinances that repeal their landline 911 fee and collect locally generated funds dedicated to 911 in a different fashion. Garrard County is collecting a 911 fee on its monthly municipal water bill; Kenton County assesses an annual \$85 per parcel fee on its property tax bill and Campbell County collects an annual 911 fee of \$45 per residential unit on its property tax bill. Each of these new initiatives is under court review.

The one page PSAP Revenue/Expenditure Report that follows is the best effort to date to provide a statewide "financial statement" on 911 services.

The information was acquired using a single, consistent reporting form for FY2014. All PSAPs* returned the form. Most were complete in detail, though there are still reporting inconsistencies and, no doubt, inaccuracies.

Some broad generalizations about 911 funding can be summarized including:

- Of the three primary funding sources the contributors, in order of largest to least, continue to be local government general funds (\$33 million), local government 911 funds (\$28 million), and state 911 wireless fees (\$16.5 million)
- Expenditures exceed revenues by some \$7 million – the difference is "covered" by fund balances carried forward from the previous fiscal year.
- While the "beginning fund balance" of \$29 million appears large, it is primarily generated from the PSAPs serving larger metropolitan jurisdictions with larger budgets where "carry forward" amounts would be more typical of budgeting practices and operational necessity. For example, just 14 PSAPs account for \$23.3 million of the \$29 million balance carry forward. The budget of six PSAPs, Boone, Bowling Green, Hopkinsville, Kenton, Lexington-Fayette, and Louisville Metro account for \$19.14 million of the statewide carry forward. On the other end of the spectrum, sixty (60) PSAPs, almost two-thirds (2/3) of our local government 911 centers, had beginning balances of less than \$50,000. Of that total, thirty-one (31) PSAPs reported a beginning balance of "0"!

What's missing is detailed information from KSP and their posts which would show what additional costs there are to providing 911 service in the state and what amount of state funds (non-CMRS funds) support there is for those expenses. We also do not know how much a local government which operates a secondary PSAP (one that may answer wireline calls only or dispatch responders from 911) are expending in support of 911.

Report on 911 Revenue and Expenditures

Funding Sources for Certified PSAPs Operated by Local Government		
Source	Amount	% of Total
Local Dedicated Fees (Landline Primarily)	\$28,125,000	34%
Local General Funds	\$32,300,000	39%
CMRS Funds (Including Grants)	\$17,325,000	21%
Other	\$5,835,000	6%
Total	\$83,585,000	100%

Prepaid “Issue” – Shortchanging the System

The state 911 fee is 70¢ per month per cell phone (CMRS connection). Providers collect the 70¢ each month on the bill they send to their customers (subscribers) and remit those funds to the Board. However, subscribers of “prepaid” cell phone service (phone cards) are not billed by the provider and so the 911 fee is collected as provided in KRS 65.7635(I)(a)(b)(c).

That statute provides three option by which “prepaid” providers may calculate or collect the 911 fee due. “Option A,” which allows a provider to “decrement” (take away) 70¢ worth of minutes from a subscriber’s account is used by one provider. “Option B” requires the provider to calculate and remit the 911 fee based on a revenue formula (i.e. monthly prepaid revenue divided by \$50 multiplied by 70¢ equals remittance due). Twelve providers report that they use this option.

The third statutory option is to utilize a method devised by the Board and put into regulation. The Board is not obligated to devise any other method and never has, so this option is “not available.”

Interestingly, a de facto fourth option exists. At least six providers of prepaid service simply remit an amount calculated each month by multiplying its subscriber count by the 70¢ fee. These tend to be smaller companies and account for less than 5% of the revenue from prepaid.

The Rule: Each cell phone in the state regardless of whether it is “loaded” with prepaid, postpaid, or free minutes should contribute to the support of 911 by paying the state 911 fee into the CMRS fund AND each should pay the same amount.

Report on 911 Revenue and Expenditures

Prepaid "Issue" – Shortchanging the System (Cont.)

The Issue: The Option B revenue formula which is used by the major providers of prepaid service does not generate anywhere near the same amount of revenue that would be generated if the 70¢ fee were collected on each active prepaid phone each month. In fact, prepaid phones contribute on average less than 35¢ per month.

The Reason: The revenue formula contained in the statute is at fault. That formula uses a fifty dollar (\$50) ARPU (average revenue per user) as a part of the calculation to arrive at a rough estimate of how many prepaid subscribers there are before applying the 70¢ fee. In reality the ARPU for users of prepaid service is much lower, around twenty dollars (\$20) a month. As a result, the estimate of prepaid subscribers is grossly underestimated and the resulting calculation grossly undercollects the 911 fee from prepaids.

The Result: The Option B formula shortchanges the CMRS fund (and has since its adoption in 2006) several million dollars each year. The CMRS Board receives roughly 40% of what should be collected from prepaid phones. The charts below show two quick calculations which demonstrate the undercollection based on FY 2014 data.

Chart I: 911 Funding—Prepaid Disparity—Simple Equation

Total subscriber count (June 2014)	3,500,406
Times 70¢ per subscriber =	x 70¢
Monthly Revenues	\$2,450,284
Times 12 months (annualized)	x 12
Estimated Revenue for FY 2014 based on all subscribers paying 70¢	\$29,403,410
Actual Revenue Collected for FY 2014	- (\$25,306,382)
Difference attributable to prepaid disparity	\$4,097,028

Chart II: 911 Funding - Prepaid Disparity - "Option B"

KRS 65.7635(1)(b) - "Option B" formula: Total KY prepaid revenue divided by \$50 multiplied by 70¢ = prepaid fee remittance

Compare "Option B" to 70¢ per month

Total Subscribers (June 2014)	3,500,406
Prepaid Subscribers (23%)	805,093
Prepaid Revenue (\$20 ARPU)	\$16,101,860

Apply "Option B" Formula (Divide by 50 x 70¢) = Monthly 911 Due Fees from Providers

\$225,426

Annual Prepaid Remittance (12 months)

\$2,705,112

Annual Remittance (70¢ x monthly subscriber count x 12 months)

\$6,762,781

Annual Remittance "Option B" formula

- \$2,705,112

Disparity - Annual "Lost Revenue"

\$4,057,669

Report on 911 Revenue and Expenditures

Prepaid “Issue” – Shortchanging the System (Cont.)

The Question: Is there a simple option available that would correct the disparity in support between pre-paid and postpaid phones?

The Answer: The disparity can be easily eliminated by amending the existing “options” statute by simply eliminating Option A and by changing the “\$50” to “\$20” in Option B as was proposed in HB 391 in the 2014 regular session of the General Assembly.

Expenditures

The expenditures reflect the roll up from the reporting document and may be the most accurate information to date on the costs of 911 service. However, it does not include state expenditures by the sixteen KSP posts which will significantly alter the total expenditures. Also, because 911 services are imbedded in other functions of local government, many costs would not be split out and reported (e.g. facility costs). The two largest expenditures predictably are in personnel and in the specialized 911 equipment-related costs.

Total PSAP Expenditures by Category

Personnel Costs	\$63,565,091
Facility Costs	\$8,326,890
Training and Membership	\$360,580
911 Equipment/Software	\$15,416,902
Professional Service	<u>\$1,256,719</u>
Total*	\$88,926,182

*excluding KSP



PSAP REVENUE/EXPENDITURE REPORT

For the period July 1, 2013 - June 30, 2014

KENTUCKY COMMERCIAL MOBILE RADIO SERVICE
(CMRS) EMERGENCY TELECOMMUNICATIONS BOARD

STATEWIDE

REVENUE (Amounts received July 1, 2013-June 30, 2014)

(4) Balance of all 911 funds at the beginning of the reporting period.	\$ 29,006,199.96
(5) Total Amount of CMRS funds received from CMRS Board	\$ 16,434,484.43
(6) Total Amount of Local 911 fee revenues	\$ 28,127,385.00
(7) Total Amount of County or City General Funds received in current fiscal year	\$ 32,310,670.00
(8) Total Amount of CMRS Grant Funds received in current fiscal year	\$ 889,537.73
(9) Total Amount of Other Grant Funds received in current fiscal year	\$ 564,985.56
(10) Total Amount of Interest received in current fiscal year	\$ 56,534.58
(11) Total Amount of Other Funds received in current fiscal year	\$ 5,215,352.90
(12) Total 911 funds available	\$ 112,605,150.16

EXPENDITURES

Personnel Cost

(13) Dispatch Supervisor/Director Salary	\$ 6,445,044.71
(14) Dispatcher Salaries	\$ 36,324,612.38
(15) Mapping/Addressing Salaries	\$ 994,442.37
(16) Other Salaries	\$ 1,495,446.65
(17) Retirement Contribution	\$ 7,853,633.98
(18) Health Insurance	\$ 7,438,052.62
(19) Other Fringe Benefits	\$ 3,013,858.69

Facility Costs

(20) Capital Improvements	\$ 1,062,186.25
(21) Lease or rental payments	\$ 915,766.82
(22) Utilities	\$ 722,033.76
(23) Telephone Service	\$ 3,329,639.22
(24) Maintenance	\$ 547,178.50
(25) Emergency Power Equipment	\$ 221,895.12
(26) Insurance	\$ 531,376.82
(27) Furniture and Fixtures	\$ 120,695.55
(28) Office Supplies	\$ 368,310.10
(29) Other Facility Costs	\$ 507,808.32

Training and Memberships

(30) On -Site Training	\$ 36,360.17
(31) Conferences	\$ 82,039.55
(32) Training Related Travel	\$ 200,926.39
(33) Membership Dues	\$ 41,254.54

Equipment/Software

(34) 911 Controllers	\$ 600,630.96
(35) 911 Trunks	\$ 1,604,142.82
(36) Telephone Equipment	\$ 1,634,940.15
(37) Remote 911 Hardware, Modems etc.	\$ 2,115,094.14
(38) Computer workstations	\$ 339,452.25
(39) Radio Systems	\$ 3,579,011.53
(40) CAD System	\$ 948,105.94
(41) GIS/ Mapping System	\$ 345,546.98
(42) Software licenses	\$ 180,796.81
(43) Maintenance/Service Agreements	\$ 3,183,778.93
(44) Other Equipment and Software	\$ 885,401.98

Vehicle Expenses

(45) MSAG development and Maintenance	\$ 25,767.73
(46) GIS Verification & Testing	\$ 10,974.51
(47) Other	\$ 848,063.82

Professional Services

(48) Legal	\$ 28,558.36
(49) Auditing	\$ 54,451.21
(50) Mapping/Addressing	\$ 355,042.93
(51) Other	\$ 818,666.73
(52) Total Expenditures	\$ 89,810,990.29

Report Prepared By:	
Title:	
Phone:	
Email:	

CMRS Grant Report

Grant Committee Chairman: *Major John Bradley*

Committee Members: *Shelby Horn, Don Kiely, Steve Tracy, Kevin Woosley, Dale Edmondson*

Staff: *Tandy Hubbard and Krista Harrod*

Fiscal Year 2014 brought the roll-out and implementation of the 2013 CMRS Grant Awards that had been approved for funding by the CMRS Board on June 28th, 2013. Awarded projects were divided into the following categories, each bringing their own set of exciting improvements and challenges. The intent of all 2013 CMRS Grant awards was to ensure the viability of the Commonwealth's PSAPs while making sure nothing was done counterproductive to Next Generation 911 efforts of the CMRS Board.

Category #1: This category encompasses applicants that asked for 911 controllers in their grant application:

- Each PSAP received an award equal to the total number of existing call taking seats they are operating today multiplied by \$35,000.
- PSAPs that received the grant award were given the option to choose between several Board approved Host/Remote controller solutions. The Board approved solutions each included geo-diverse and redundant dual Hosts and remote PSAPs were required to be connected to both Hosts.
- This solution promotes more reliable disaster recovery capabilities in the PSAP and has the potential to lower the PSAP's recurring equipment cost since the main pieces of technology used will be housed remotely, maintained by the Host provider and shared.

Category #2: This award category included grant requests, other than mapping projects, that cover a wide array of projects located within the PSAP such as renovation, CAD upgrades or replacements, logging recorder purchases, etc.

Category #3: This award category of grant requests included mapping and addressing projects. While the Board identified these applicants as showing sufficient need and project plans, the Board voted to initiate a "CMRS GIS Working Group" to evaluate the Board's current mapping and addressing standards and to further address the readiness of the existing standards to accommodate Next Generation 911. This working group was established and began meeting diligently in the fall of 2013. The summer months of 2014 saw the wrap-up of a draft report with recommended GIS standards for NG911 to be implemented by the Commonwealth. The draft report is currently being vetted with an anticipated Board approval date of December 2014. Once NG911 mapping and addressing standards for the Commonwealth have been finalized, the CMRS GIS Working Group will work with Category 3 grantees to ensure their projects are in line with any NG911 standard recommendations.

2014 CMRS Grant applications were due May 30th, 2014 but a decision regarding awards was not made in FY14. 60 applications were received with requests totaling \$9 million



CMRS PSAP Report

PSAP Committee Chairman: *Steve Tracy*

Committee Members: *Forest Skaggs, Dale Edmondson, Shelby Horn, Malissa Carter and Dustin Abbott*

Staff: *Tandy Hubbard and Krista Harrod*

Currently, a total of 114 separate PSAPs maintain certification with the CMRS Board of which 16 are Kentucky State Police Posts. This total number includes 4 consolidated PSAPs that were once 8 separately certified PSAPs. While the position of the CMRS Board and PSAP Committee is not to force PSAP consolidation, KRS 65.7631(2)(a)(4) encourages consolidation by offering a non-competitive \$100,000 per PSAP reimbursement incentive to be used for expenses directly related to the consolidation efforts.

For Fiscal Year 2014, quarterly PSAP Pro Rata payments totaled \$10,361,779 and quarterly PSAP Volume payments were \$10,405,789. These disbursements included settlement monies disbursed in December 2013 and received by the Board from litigation involving a prepaid wireless provider and its failure to properly remit the wireless E911 fee for their wireless subscribers in Kentucky.

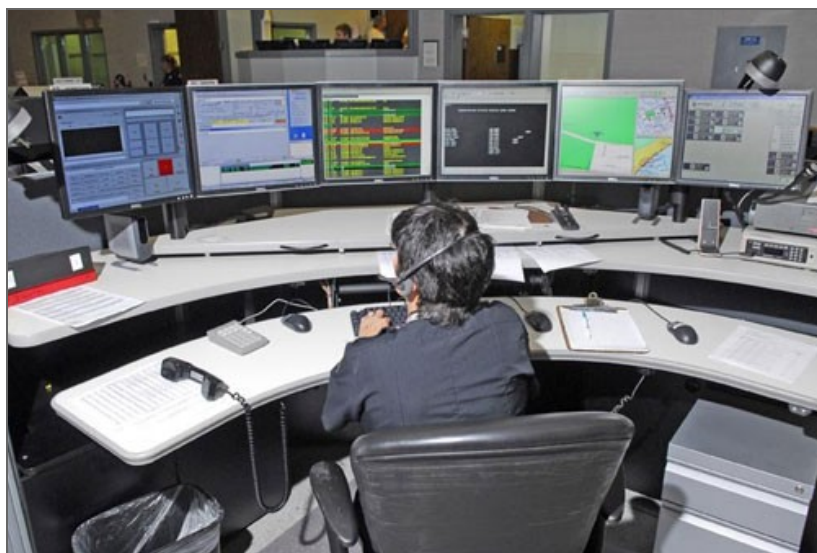
The PSAP Volume payment is based on the total wireless subscribers reported in a PSAP's jurisdiction and is distributed on the 1st of the payment quarter month.

The PSAP Pro Rata payment is distributed on the 15th of the payment quarter month and is an equal payment distribution each certified PSAP receives determined by dividing the number of wireless PSAPs eligible for payment into the revenue accumulated in the Pro Rata account during the quarter. Kentucky State Police Posts no longer taking wireless calls for any counties in the Post's region receive their Pro Rata share from the CMRS Grant Fund.

PSAP payment months are February, May, August and November and payments are calculated based on remittances received in the most recently closed calendar quarter.

The PSAP Committee continues to oversee the Board's PSAP Geo Audits and Re-Audits performed by Stantec. Of the 40+ PSAPs that have been re-audited, there has only been one failure.

The PSAP Committee is also working in coordination with the Grant Committee to ensure technology deployed at the PSAP –whether it be through the Board's grant program or paid for by the PSAP in efforts to obtain or maintain CMRS Certification –is compatible with the CMRS Board's NG911 plans.



CMRS Cost Recovery Report

Cost Recovery Committee Chairman: *Mike Phillips*

Committee Members: *Dan Kemp, Brad Johnson, Mitch Mitchell and Paul Nave*

Staff: *Tandy Hubbard*

The CMRS Board's Cost Recovery Committee is charged with reviewing plans submitted by wireless Carriers doing business in the Commonwealth for the build out and compliance with the FCC order outlining wireless E911 service requirements. Carriers are eligible for reimbursement by the CMRS Board for both non-recurring and recurring expenses for "designing, upgrading, purchasing, leasing, programming, testing, installing and maintaining all necessary data, hardware and software required in order to provide wireless E911 service" in accordance with KRS 65.7631.

\$3,345,490 in approved cost recovery reimbursements were distributed amongst 6 wireless providers in Fiscal Year 2014 through the Board's Cost Recovery Program: *AT&T Wireless, Bluegrass Cellular, Cricket Communications, East Kentucky Network, Ntelos, and Sprint.*

A total of \$78,848,644 in approved cost recovery reimbursements have been distributed since the first cost recovery payment was released in 2002.

As of March 2014, the CMRS Board was able to eliminate the balance of all invoices received and approved on or before June 30th, 2011 which totaled \$13,102,126 at the time the Board made a decision to not approve anymore invoices for payment until the existing balance owed was paid. At the June 4th, 2014 CMRS Board meeting, the CMRS Board voted to approve and pay invoices for expenses incurred prior to June 30th, 2011, but were received by the CMRS Board after that date. These invoices were paid in full in September 2014. See appendix for FY2015 payment amount.

The future of the Board's Cost Recovery program currently resides in the hands of the Cost Recovery Committee who will be working in the upcoming year to identify weaknesses in the program as it is currently operating today and comparing it to the needs of a Next Generation 911 deployment.



CMRS NG911 Initiative Report

The Board has a statutory mandate to “coordinate...the implementation of advancements and new technology “in emergency telecommunications in the state” (KRS 65.7625). The Board used this authority to adopt a State 911 Plan calling for the modernization of the state’s 911 system by deploying NG911 capacity - replacing outdated analog, voice-only technology with digital, IP-based network delivery of 911 calls.

Since the rejection of the Board’s NG911 Network RFP in late 2012, the Board’s efforts to provide NG911 have focused on building awareness of the need for such modernization among the public and state and local policymakers.

That awareness campaign has included presentations to KACO’s Annual Conference; County Judges, Magistrates and Commissioners Conference; Kentucky League of Cities Legislative Day; the annual Governor’s Local Issues Conference and legislative committee meetings.

Efforts to encourage the Governor to specifically endorse an NG911 ESI network for the state were “trumped” during the 2014 session of the General Assembly by the Governor’s proposal to have the state acquire a Next Generation Kentucky Information Highway (NG-KIH) using a fiber network. Kentucky’s NG911 network could easily be a “customer” or user of that network but it makes timing on coordination between the two an issue.

In the meantime, the Board has continued to prepare for the transition to NG911. Specifically, the Board appointed a GIS Working Group facilitated by RCC consultants and charged with evaluating the quality of the state’s current GIS mapping and addressing process with an eye toward new data standards that NG911 will require. The Group will present a report to the Board with recommendations on what new standards to adopt and what processes to put in place to make the acquisition, maintenance and utilization of GIS generated state 911 mapping, so necessary for NG911, a practical reality.

The CMRS Board’s efforts in moving to NG911 are affected by what goes on in other states – both neighboring states of Indiana and Tennessee have deployed statewide NG911 networks and are moving to “total” NG911 status.

From the Federal level comes additional pressure from the FCC to acquire NG911 capacity. Just as the FCC was instrumental in pushing states to make 911 “work” with cell phones, it is now “ordering” states and providers of wireless services to make “Text to 911” available to meet public expectations for the use of modern communication practices. Providing IP-based NG911 delivery of text using digital technology is the best method to accommodate this order.

Interoperability
Non-proprietary
Service
Logging Video
access-anywhere
Text
RTSP
Images
Dispatch-Improvement
Legacy-NG-Recording
Telematics
Chat
SIP
NG9-1-1

CMRS Audit Report

Audit Committee Chairman: *Chuck Willis*

Committee Members: *Joe Barrows and Tandy Hubbard*

Staff: *Krista Harrod*

KRS 65.7629 directs the CMRS Board to retain an independent certified public accountant to audit the books of the Board, CMRS providers and PSAPs to verify the accuracy of collection and disbursement of the CMRS service charge.



The Board Audit Committee works with the Auditor to establish the methodologies and selection criteria to be used by the Auditor in conducting the audits of selected PSAPs and Providers.

Upon receipt of audit reports, the Audit Committee reviews the findings for the purpose of recommending Board action to address any compliance issues.

The Board has a Personal Service Contract with the firm of Ross and Company to provide audit services. In Fiscal Year 2014, the Board spent \$48,621 on this contract. This Fiscal Year, three audits are being performed for the period of FY2012 through FY2013 on PSAPs and Carriers and the books of the CMRS Board. The information gathering efforts for this audit cycle were enhanced due to the Board's authority under Senate Bill 119.

AUDIT

CMRS AND 911 By The Numbers

Public Safety Answering Points (PSAP) Data

• 114	# of primary PSAPs certified by the CMRS Board; includes 16 Kentucky State Police Posts
• 49	# of secondary non-certified PSAPs, (e.g. universities, local dispatch only PSAPs, airports . . .)
• 24	# of counties served by the Kentucky State Police for wireless 911 call taking as of June 30th, 2014
• 536	# of total call-taking positions statewide
• 1,482	# of persons employed as call-takers statewide
• 1,306	# of call-takers trained and certified by Dept. of Criminal Justice Training
• 3,349,617	# total of 911 calls in Kentucky FY2014
• 2,422,702	# of 911 calls from wireless devices (cell phones)—73%
• 924,329	# of 911 calls from landline devices—27%
• 71	# of PSAPs providing EMD (Emergency Medical Dispatching)
• 116	# of Kentucky counties with Enhanced 911 (98.9% of population)
• 4	# of Kentucky counties that are limited to Basic 911 (1.1% of population)
• 120	# of counties with wireless 911 service (100% of population)
• 0	# of PSAPs taking “Text to 911” calls
• 23	# of PSAPs “ready” for Next Generation 911

MONEY IN (WIRELESS)

• 47	# of Wireless Providers remitting 911 fees to the Board
• \$24,483,981	Total CMRS Board receipts in FY 2009
• \$25,150,290	Total CMRS Board receipts in FY 2013
• \$25,306,382	Total CMRS Board receipts in FY 2014
• \$23,333,734	Total of postpaid receipts
• \$2,459,113	Total of prepaid receipts

CMRS AND 911 By The Numbers (continued)

MONEY IN (WIRELINER)

- 108 # of counties with local wireline 911 fees
- 6 # of counties with “different” local 911 fee
- 6 # of counties with no local 911 fee.
- \$.32-\$4.00 Local wireline fee range in Kentucky
- \$28,127,385 Total revenue statewide from local 911 fees

MONEY OUT

- \$14,981 Value of a PSAP Pro Rata payment in May 2006
- \$18,356.39 Value of a PSAP Pro Rata payment in May 2013
- **\$18,819.36** **Value of a PSAP Pro Rata payment in May 2014**
- \$9,123,308 Total PSAP Volume payments in FY2013
- \$9,517,503 Total PSAP Pro Rata payments in FY 2013.
- **\$10,405,289** **Total PSAP Volume payments in FY 2014**
- **\$10,361,779** **Total PSAP Pro Rata payments in FY 2014**
- \$180,343,179 Total paid to certified PSAPs since the inception of the
CMRS PSAP payment program through FY 2014
- \$78,848,644 Total Cost Recovery Fund distributed to wireless carriers since
the inception of the Cost Recovery program in 2002
- 84 # of counties receiving CMRS Grant
- 5 # of CMRS Consolidation Grant awards
- \$4,259,803 Value of grant awards FY2014

CMRS AND 911 By The Numbers (continued)

WIRELESS DATA

- 2,539,195 Total wireless subscribers in KY June 2006
- 3,321,309 Total wireless subscribers in KY June 2013
- **3,500,406** **Total wireless subscribers in KY June 2014***

- 2,643,043 Total postpaid subscribers as of June 2014
- 857,363 Total prepaid subscribers as of June 2014
- 231,303 Total Lifeline subscribers as of June 2014

- 336 million Estimated total of wireless subscribers nationally
- 24 % of wireless subscribers that are prepaid
- 40 % of households now wireless only
- 55 % of wireless subscribers with “smart” phones

*as reported by providers of wireless service

Lifeline Program

- 231,303 # of wireless Lifeline participants in Kentucky – June 2014
- 25 # of wireless providers (ETC’s) eligible to participate in Lifeline in Kentucky
- 16 # of wireless providers granted ETC status in the last four years
- \$25,136,255 Amount of federal Lifeline reimbursements to ETC companies in Kentucky—FY 2014
- \$8,316,287 Amount of state Lifeline reimbursements to ETC companies in Kentucky—FY 2014
- \$33,452,542 Total Lifeline reimbursements to ETC providers

The Lifeline program is a federal low income program. Providers of wireless phone service wishing to participate must get permission from the Kentucky Public Service Commission. Once granted “Eligible Telecommunications Carrier” (ETC) status, companies then “give away” a cell phone to an eligible person along with “free minutes” each month. The federal government reimburses the ETC company each month at \$9.25 for each of their Lifeline subscribers. ETC companies are also eligible for reimbursements by the state each month at the rate of \$3.50 per Lifeline subscriber.

The CMRS Board considers those federal and state reimbursements as “revenue” to the providers of prepaid service which must be included in the calculation of 911 fees due monthly to the Board so that Lifeline phones also help support the 911 system (though at the lower “prepaid” rate).

*The reimbursement numbers represent payments to wireless prepaid providers who participate in the program described above—not wireline Lifeline participants or postpaid wireless Lifeline participants.

Financial Report

The CMRS Board collected nearly \$25.3 million in remittances from wireless Carriers doing business in the Commonwealth during Fiscal Year 2014, an increase of just over 1% of the previous year's revenues.

Wireless Carriers reported a total of 3,393,567 wireless subscribers with billing zip codes in Kentucky for the month of March 2014, in comparison, a total of 3,381,397 were reported for the same month in 2013-a increase of nearly 1%.

A variety of Personal Service Contracts were approved by the CMRS Board to carry out requirements of the Board outlined in both administrative regulations and statutes. These are:

- ♦ Goldberg and Simpson-\$102,225 was expended from the CMRS Administrative Account to support legal services provided by the law firm of Goldberg and Simpson for litigation against prepaid wireless providers not remitting the wireless E911 surcharge to the CMRS Board for their customers in the Commonwealth.
- ♦ Stantec Consulting-\$7,453 in CMRS Administrative dollars were used to re-audit CMRS certified PSAPs that did not pass their initial mandated CMRS Geo-Audit and were ready for re-audit in Fiscal Year 2014.
- ♦ RCC Consultants-\$93,047 was paid for services rendered in assisting the Board with the development of the RFPs needed to implement NG911 in Kentucky as described in the approved State 911 Plan and to advise the Board of it's efforts as it relates to NG911.
- ♦ Ross and Company-\$48,621 was expended to complete the next round of Financial Audits performed on Carriers, PSAPs and the books of the Board in accordance with KRS 65.7629(13).

CMRS Board-FY 2014 Expenditures by Fund

CMRS Admin	\$514,437
CMRS Grant	\$1,370,772
CMRS Provider	\$3,345,490
PSAP Pro Rata	\$10,360,779
PSAP Volume	<u>\$10,405,789</u>
Total	\$25,997,267



Appendix

Appendix A

911 Revenues Per Certified PSAP

PSAP	Landline	Local General Fund	CMRS	Total
Adair County 911 \$	125,315.52 \$	61,000.00 \$	125,315.52 \$	311,631.04
Barren-Metcalf Emergency Communica- tions Center \$	237,942.00 \$	- \$	209,639.90 \$	447,581.90
Bath County E911 \$	122,258.57 \$	10,500.00 \$	112,468.46 \$	245,227.03
Beattyville-Lee County E911 \$	27,871.00 \$	286,671.00 \$	101,346.16 \$	415,888.16
Bell County \$	192,003.74 \$	125,401.38 \$	138,094.93 \$	455,500.05
Bluegrass 911 Central Communications \$	432,370.71 \$	31,655.79 \$	268,808.53 \$	732,835.03
Boone County Public Safety Communica- tions Center \$	1,750,926.87 \$	1,500,000.00 \$	382,702.92 \$	3,633,629.79
Bowling Green Police Depart- ment/Warren County E911 \$	141,370.87 \$	1,129,339.57 \$	340,982.79 \$	1,611,693.23
Boyd County Regional Public Safety Com- munications Center \$	846,005.96 \$	- \$	216,121.08 \$	1,062,127.04
Bracken County E911 \$	67,783.47 \$	86,886.00 \$	109,697.68 \$	264,367.15
Breckinridge County E911 \$	71,354.59 \$	149,252.02 \$	135,290.15 \$	355,896.76
Bullitt County \$	268,963.73 \$	452,902.81 \$	251,467.55 \$	973,334.09
Butler County E911 \$	68,078.03 \$	- \$	115,579.91 \$	183,657.94
Calloway County \$	78,714.02 \$	- \$	130,930.38 \$	209,644.40
Campbell County Consolidated Dispatch \$	2,108,798.91 \$	259,452.84 \$	469,823.14 \$	2,838,074.89
Campbellsville/Taylor County E911 \$	5,950.00 \$	561,429.66 \$	136,424.81 \$	703,804.47
Carlisle County E911 \$	60,294.00 \$	104,700.00 \$	97,367.42 \$	262,361.42
Carroll County E911 \$	43,619.76 \$	100,824.80 \$	114,560.22 \$	259,004.78
Carter County E911 \$	10,607.85 \$	178,992.50 \$	147,498.78 \$	337,099.13
Casey County E911 \$	116,753.87 \$	- \$	121,266.64 \$	238,020.51
City of Providence E911 \$	14,320.08 \$	168,189.79 \$	77,963.78 \$	260,473.65
Clay County E911 \$	348,928.43 \$	- \$	115,860.36 \$	464,788.79
Clinton County 911 \$	126,027.00 \$	16,500.00 \$	108,667.06 \$	251,194.06
Covington Communications Center		\$	192,838.79 \$	192,838.79
Crittenden County \$	- \$	141,129.00 \$	102,485.09 \$	243,614.09
Cumberland County 911 \$	102,977.00 \$	124,913.00 \$	101,616.36 \$	329,506.36
Cynthiana-Harrison County E911 \$	204,578.21 \$	160,556.50 \$	136,230.84 \$	501,365.55
Danville-Boyle County E911 Center \$	51,000.04 \$	486,123.75 \$	155,063.72 \$	692,187.51
Edmonson County E911 \$	92,309.40 \$	141,673.94 \$	106,588.69 \$	340,572.03
Erlanger Police Department \$	187,986.85 \$	1,125,206.23 \$	192,948.56 \$	1,506,141.64
Estill County Central Dispatch \$	168,008.00 \$	30,600.00 \$	116,552.62 \$	315,160.62
Fleming County E911 \$	222,645.48 \$	24,000.00 \$	121,295.50 \$	367,940.98
Frankfort/Franklin County E911 Dispatch Center \$	195,292.30 \$	1,005,840.00 \$	204,252.66 \$	1,405,384.96

Appendix A

911 Revenues Per Certified PSAP

PSAP	Landline	Local General Fund	CMRS	Total
Gallatin County E911	\$ 47,453.62	\$ 71,000.00	\$ 103,452.32	\$ 221,905.94
Georgetown/Scott County 911 Center	\$ -	\$ 994,939.11	\$ 197,238.16	\$ 1,192,177.27
Grayson County E911	\$ 272,081.48	\$ 180,000.00	\$ 131,969.61	\$ 584,051.09
Greensburg/Green County E911 Center	\$ 92,512.00	\$ 60,000.00	\$ 115,218.47	\$ 267,730.47
Greenup County E911	\$ 398,303.65	\$ 200,000.00	\$ 166,886.08	\$ 765,189.73
Hancock County E911	\$ 30,992.62	\$ 320,318.08	\$ 106,700.18	\$ 458,010.88
Hardin County E911 Center	\$ 1,085,260.10	\$ -	\$ 361,359.40	\$ 1,446,619.50
Harrodsburg Police Department	\$ 193,645.87	\$ 418,302.29	\$ 139,914.77	\$ 751,862.93
Henderson Emergency Communications Center	\$ 400,989.00	\$ 393,963.00	\$ 192,708.51	\$ 987,660.51
Hopkinsville-Christian County Emergency Communications Center	\$ 150,348.85	\$ 824,920.27	\$ 254,195.80	\$ 1,229,464.92
Jackson County E911	\$ 175,694.92	\$ 33,221.04	\$ 100,573.08	\$ 309,489.04
Jessamine County Central Communications Center	\$ 408,259.00	\$ 382,009.00	\$ 199,971.12	\$ 990,239.12
Kenton County Police Communications Center	\$ 2,609,255.26	\$ -	\$ 290,067.18	\$ 2,899,322.44
KSP Post #1, Mayfield		\$	\$ 200,109.29	\$ 200,109.29
KSP Post #2, Madisonville		\$	\$ 92,866.76	\$ 92,866.76
KSP Post #3, Bowling Green		\$	\$ 247,660.70	\$ 247,660.70
KSP Post #4, Elizabethtown		\$	\$ 110,697.88	\$ 110,697.88
KSP Post #5, Campbellsburg		\$	\$ 167,774.46	\$ 167,774.46
KSP Post #6, Dry Ridge		\$	\$ 251,692.86	\$ 251,692.86
KSP Post #7, Richmond		\$	\$ 104,065.20	\$ 104,065.20
KSP Post #8, Morehead		\$	\$ 101,095.76	\$ 101,095.76
KSP Post #9, Pikeville		\$	\$ 355,375.50	\$ 355,375.50
KSP Post #10, Harlan		\$	\$ 170,737.61	\$ 170,737.61
KSP Post #11, London		\$	\$ 91,057.46	\$ 91,057.46
KSP Post #12, Frankfort		\$	\$ 131,744.51	\$ 131,744.51
KSP Post #13, Hazard		\$	\$ 197,334.14	\$ 197,334.14
KSP Post #14, Ashland		\$	\$ 84,461.53	\$ 84,461.53
KSP Post #15, Columbia		\$	\$ 130,429.52	\$ 130,429.52
KSP Post #16, Henderson		\$	\$ 83,817.40	\$ 83,817.40
Knox County E911	\$ 175,000.00	\$ 327,000.00	\$ 124,360.04	\$ 626,360.04
LaRue County E911	\$ 138,013.02	\$ -	\$ 124,019.96	\$ 262,032.98
Lawrence County 911	\$ 128,177.79	\$ 98,542.56	\$ 120,656.66	\$ 347,377.01
Lawrenceburg/Anderson County E911	\$ 85,442.11	\$ 345,410.02	\$ 142,640.55	\$ 573,492.68

Appendix A

911 Revenues Per Certified PSAP

PSAP	Landline	Local General Fund	CMRS	Total
Leslie County 911	\$ 82,420.09	\$ -	\$ 104,957.90	\$ 187,377.99
Lewis County	\$ 201,891.00	\$ -	\$ 105,056.05	\$ 306,947.05
Lexington/Fayette Urban County Government	\$ 3,352,045.65	\$ 2,652,742.99	\$ 877,654.14	\$ 6,882,442.78
Livingston County	\$ 28,065.05	\$ 284,150.00	\$ 103,059.42	\$ 415,274.47
Logan County Emergency Operations Center	\$ 185,700.54	\$ 500,000.00	\$ 150,117.49	\$ 835,818.03
London-Laurel County E911	\$ 640,022.74	\$ -	\$ 227,330.42	\$ 867,353.16
Louisville/Jefferson County E911	\$ 2,326,497.28	\$ 6,061,114.39	\$ 2,183,615.34	\$ 10,571,227.01
Madison County E911	\$ 835,531.00	\$ 402,781.00	\$ 275,705.72	\$ 1,514,017.72
Madisonville-Hopkins County Central Dispatch	\$ 46,501.02	\$ -	\$ 193,863.07	\$ 240,364.09
Marshall County E911 Center	\$ 199,202.25	\$ 125,000.00	\$ 166,050.87	\$ 490,253.12
Mayfield E911	\$ -	\$ 2,100.00	\$ 125,968.62	\$ 128,068.62
Maysville Police Department E911 Center	\$ 103,693.00	\$ 200,302.00	\$ 134,306.33	\$ 438,301.33
McCreary County E911	\$ 140,506.00	\$ 48,000.00	\$ 99,526.73	\$ 288,032.73
McLean County E911	\$ 54,504.02	\$ -	\$ 111,544.60	\$ 166,048.62
Meade County	\$ 106,496.92	\$ -	\$ 141,290.58	\$ 247,787.50
Menifee County E911	\$ 70,456.47	\$ 70,099.77	\$ 99,157.66	\$ 239,713.90
Monroe County E911 Center	\$ 76,116.00	\$ 7,500.00	\$ 112,290.32	\$ 195,906.32
Morehead Police Department Communications Center	\$ 106,014.17	\$ -	\$ 136,008.43	\$ 242,022.60
Mt. Sterling/Montgomery County E911	\$ 230,435.58	\$ 480,000.00	\$ 152,726.80	\$ 863,162.38
Muhlenberg Central Dispatch	\$ 351,385.00	\$ -	\$ 157,022.11	\$ 508,407.11
Murray Police Department	\$ 40,773.82	\$ -	\$ 112,237.25	\$ 153,011.07
Nelson County	\$ 180,144.00	\$ 577,228.00	\$ 178,473.12	\$ 935,845.12
Ohio County E911 Dispatch	\$ 161,405.07	\$ 234,358.67	\$ 138,586.25	\$ 534,349.99
Oldham County Dispatch	\$ 433,492.75	\$ 181,897.87	\$ 271,115.14	\$ 886,505.76
Owensboro/Daviess County Central Dispatch	\$ -	\$ 1,633,776.33	\$ 402,824.47	\$ 2,036,600.80
Paducah-McCracken County E911	\$ 416,803.00	\$ 868,105.00	\$ 259,016.05	\$ 1,543,924.05
Paintsville-Johnson County E911 Dispatch Center	\$ 198,164.47	\$ -	\$ 142,573.83	\$ 340,738.30
Paris, Bourbon County E911 and Central Communications Center	\$ 195,269.77	\$ 360,000.00	\$ 137,311.38	\$ 692,581.15
Pendleton County E911	\$ 106,151.97	\$ 193,000.00	\$ 116,625.07	\$ 415,777.04
Pennyrile Emergency Assistance Center		\$	\$ 117,978.87	\$ 117,978.87
Perry County E911 Center	\$ 253,379.29	\$ 269,610.96	\$ 155,095.04	\$ 678,085.29
Powell County Dispatch E911	\$ 158,286.26	\$ -	\$ 113,995.25	\$ 272,281.51
Prestonsburg E911 Center	\$ 45,103.56	\$ 311,462.46	\$ 103,550.64	\$ 460,116.66
Pulaski County E911 Center	\$ 784.50	\$ 1,213,813.02	\$ 236,225.79	\$ 1,450,823.31

Appendix A

911 Revenues Per Certified PSAP

PSAP	Landline	Local General Fund	CMRS	Total
Rockcastle County E911	\$ 142,356.00	\$ 15,000.00	\$ 117,794.71	\$ 275,150.71
Russell County 911	\$ 65,666.64	\$ 105,000.00	\$ 119,664.41	\$ 290,331.05
Scottsville-Allen County	\$ 123,549.00	\$ 205,719.00	\$ 132,075.88	\$ 461,343.88
Shelby County E911 Communications	\$ 338,680.47	- \$	\$ 225,024.11	\$ 563,704.58
Simpson County 911		\$	\$ 12,900.01	\$ 12,900.01
Springfield/Washington County PSAP	\$ 35,584.89	\$ 207,615.62	\$ 114,167.78	\$ 357,368.29
Todd County Emergency Services	\$ 174,000.00	\$ 99,758.00	\$ 111,013.01	\$ 384,771.01
Trigg County E911	\$ 51,984.68	\$ 114,633.74	\$ 118,039.75	\$ 284,658.17
Union County	\$ 26,929.00	\$ 518,110.00	\$ 112,878.60	\$ 657,917.60
Versailles/Woodford County	\$ 402,185.00	- \$	\$ 155,522.12	\$ 557,707.12
Wayne County 911	\$ -	\$ 429,772.86	\$ 126,042.31	\$ 555,815.17
Webster County E911 Services	\$ 54,596.99	\$ 362,917.58	\$ 119,364.74	\$ 536,879.31
West Liberty/Morgan County E911	\$ 72,571.56	\$ 268,350.79	\$ 110,898.69	\$ 451,821.04
Whitley County E911	\$ 224,486.76	\$ 112,350.00	\$ 173,279.26	\$ 510,116.02
Winchester/Clark County E911	\$ 178,666.00	\$ 81,034.00	\$ 178,666.24	\$ 438,366.24
Wolfe County 911	\$ 26,400.00	- \$	\$ 98,725.58	\$ 125,125.58
TOTAL	\$ 28,127,384.78	\$ 32,310,670.00	\$ 21,019,521.36	\$ 81,457,576.14

*does not reflect grants, interest, or other funds

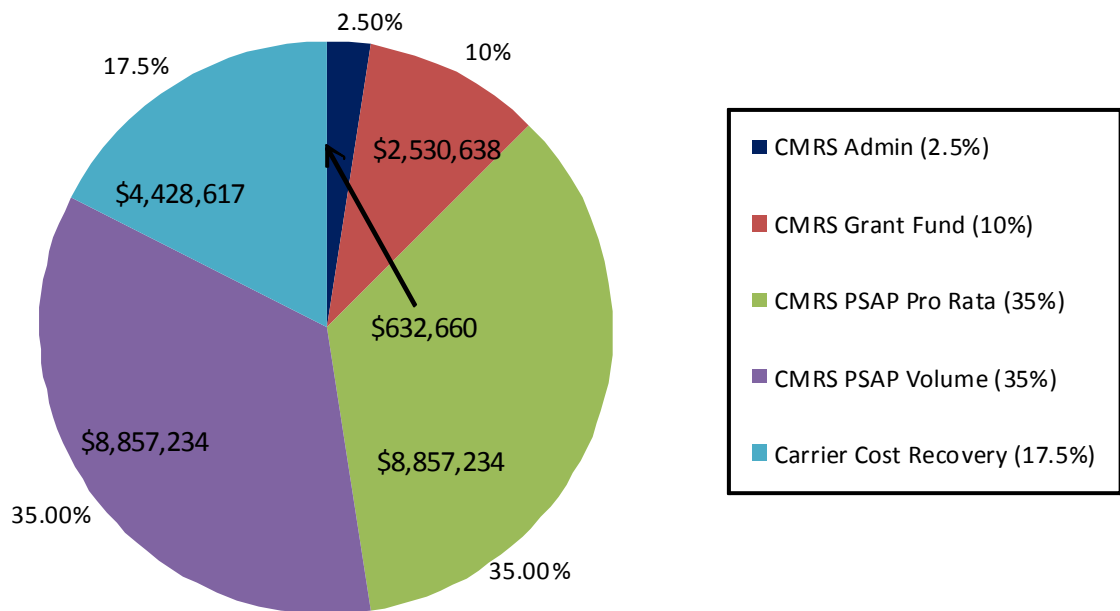
Appendix B

CMRS Fund:

Collection/Disbursement of the KY CMRS 911 Service Charge

- Providers of wireless service collect the 911 service charge monthly and remit directly to the Board. The surcharge collected on postpaid devices is 70¢ per phone per month. The surcharge collected on prepaid devices averages less than 35¢ per phone per month.
- To reimburse itself for the cost of collecting and remitting the service charge, a provider may retain 1.5% of the total it collected
- All receipts are deposited into the CMRS Fund and apportioned by statute into specific accounts
- Fiscal year receipts for the CMRS fund totaled \$25,150,290. The chart shows how receipts are apportioned

Kentucky CMRS Wireless Surcharge Apportionment
On FY 2014 Receipts of \$25,306,382



Appendix C

CMRS Grant Program– Master Ledger

CMRS Grant Program

Year	Recipient	Award Amount
2013	Carlisle County	\$70,000
2013	Butler County	\$70,000
2013	Rockcastle County	\$70,000
2013	Powell County	\$70,000
2013	West Liberty/ Morgan County	\$70,000
2013	Menifee County	\$70,000
2013	Whitley County	\$105,000
2013	City of Corbin	\$105,000
2013	Garrard/ Lincoln	\$140,000
2013	Taylor County	\$140,000
2013	Greenup County	\$105,000
2013	Jessamine County	\$140,000
2013	Boyd County	\$175,000
2013	Woodford County	\$105,000
2013	Bluegrass ADD	\$20,125
2013	Breckinridge County	\$70,000
2013	Adair County	\$70,000
2013	Clinton County	\$70,000
2013	Cumberland County	\$70,000
2013	Russell County	\$70,000
2013	Wayne County	\$70,000
2013	KSP #15	\$105,000
2013	KSP #11	\$105,000
2013	Marshall County	\$105,000
2013	Allen County	\$70,000
2013	Casey County	\$105,000
2013	Green County	\$70,000
2013	Lewis County	\$70,000
2013	Laurel County	\$105,000
2013	Muhlenberg County	\$140,000
2013	Paintsville/ Johnson County	\$105,000
2013	Lawrenceburg	\$70,000
2013	McCreary County	\$70,000
2013	LaRue County	\$70,000
2013	Harrodsburg	\$105,000

Year	Recipient	Award Amount
2013	Barren/ Metcalfe	\$32,165
2013	Beattyville/ Lee	\$20,498.10
2013	Boone County	\$8,765
2013	City of Marion	\$98,750
2013	Paris/Bourbon County	\$35,162
2013	Clay County	\$89,863
2013	Fleming County	\$22,333.04
2013	Frankfort/Franklin County	\$80,555
2013	Hardin County	\$46,804.30
2013	Henderson County	\$26,275.20
2013	Perry County	\$34,662.19
2013	KRADD	\$58,404.77
2013	KSP #12	\$65,000
2013	Livingston County	\$106,876.00
2013	Magoffin County	\$13,053.75
2013	Meade County	\$18,345.13
2013	Meade County	\$26,390.26
2013	City of Murray	\$58,590.70
2013	MSU	\$22,360.07
2013	Caldwell County	\$4,635
2013	Todd County	\$99,758
2013	Washington County	\$36,000
2013	Webster County	\$84,432.06
2013	Calloway County	\$6,859
2013	Menifee County	\$82,400
2012	Elliott County	\$40,000.00
2012	Magoffin County	\$123,756.61
2012	Marion County	\$120,000.00
2012	Regional Viper Project	\$89,884
2012	Muhlenburg County	\$14,214
2011	Northern Kentucky	\$348,050
2011	Marion County	\$125,000
2010	LFUCG/ Bath County	\$175,000
2009	Carroll County Fiscal Court	\$22,580
2009	City of Campbells-ville	\$136,334

Appendix C

CMRS Grant Program– Master Ledger

CMRS Grant Program

Year	Recipient	Award Amount
2009	City of Henderson	\$55,573
2009	City of Paintsville	\$85,173
2009	Daviess County Fiscal Court	\$31,000
2009	Daviess County Fiscal Court	\$10,334
2009	Greenup County Fiscal Court	\$6,559
2009	Hopkinsville-Christian County	\$226,621
2009	Jackson County Fiscal Court	\$34,907
2009	Menifee County Fiscal Court	\$32,055
2009	Muhlenberg County Fiscal Court	\$112,896
2009	Regional Public Safety Comm.	\$40,216
2009	Whitley County Fiscal Court	\$166,696
2008	Allen County Fiscal Court	\$17,548
2008	Bell County Fiscal Court	\$22,233
2008	Breckinridge County Fiscal Court	\$18,388
2008	City of Campbells-ville	\$35,214
2008	City of Georgetown	\$60,076
2008	City of Owensboro	\$62,065
2008	City of Prestonsburg	\$22,091
2008	Jessamine County E911	\$32,908
2008	Jessamine County E911	\$19,952
2008	KSP	\$32,788
2008	LFUCG	\$177,015
2008	Logan County Fiscal Court	\$139,173
2008	Menifee County Fiscal Court	\$68,549
2008	North Pennyryle E911 Board	\$435,912
2008	Oldham County Fiscal Court	\$146,000
2008	Pendleton County Fiscal Court	\$159,637
2007	City of Anchorage	\$15,000
2007	City of Carlisle	\$52,000
2007	City of Morehead	\$87,652

Year	Recipient	Award Amount
2007	City of Paintsville	\$45,950
2007	Cumberland Valley ADD	\$45,040
2007	Elliott County Fiscal Court	\$82,000
2007	Fleming County Fiscal Court	\$52,245
2007	Greenup County Fiscal Court	\$27,000
2007	Lake Cumberland ADD	\$88,820
2007	LFUCG	\$147,457
2007	Marshall County Fiscal Court	\$24,101
2007	Meade County Fiscal Court	\$78,475
2007	Mt. Sterling	\$66,988
2007	Pendleton County Fiscal Court	\$19,707
2007	Regional Public Safety Comm.	\$8,980
2007	Simpson County Fiscal Court	\$38,476
2007	Wolfe County Fiscal Court	\$31,710
2006	Bell County Fiscal Court	\$37,461
2006	Carlisle County Fiscal Court	\$179,969
2006	CVADD on behalf of Clay County	\$69,263
2006	Edmonson County Fiscal Court	\$130,000
2006	KY River ADD	\$284,280
2006	Lake Cumberland Area Dev.	\$350,000
2006	Magoffin County Fiscal Court	\$19,500
2006	Martin County Fiscal Court	\$199,142
2006	Reg. Public Safety Comm. Center	\$23,767
Consolidation Award	Bluegrass 911 Central Communications	\$200,000
Consolidation Award	Kenton County/City of Covington	\$200,000
Consolidation Award	City of Mayfield/Kentucky State Police	\$200,000
Consolidation Award	City of Owensboro/Daviess County	\$200,000
Consolidation Award	Hart County/ Kentucky State Police	\$200,000
Consolidation Award	Madison County/Berea	\$2,000,000

Appendix D

Local 911 Fees in Kentucky Counties (monthly wireline fee except where noted*)

Adair	2.00	Grayson	2.42	Metcalf	1.00
Allen	1.50	Green	2.00	Monroe	1.50
Anderson	1.89	Greenup	2.50	Montgomery	3.00
Ballard	1.00	Hancock	0.98	Morgan	1.00
Barren	1.00	Hardin	2.61	Muhlenberg	2.00
Bath	3.00	Harlan	1.25	Nelson	1.50
Bell	2.29	Harrison	4.00	Nicholas	0.00
Boone	2.70	Hart	1.50	Ohio	2.86
Bourbon	1.00	Henderson	2.50	Oldham Bus.	3.40
Boyd	(1)*	Henry	1.00	Oldham Res.	2.00
Boyle	0.50	Hickman	1.00	Owen	1.00
Bracken	2.50	Hopkins	0.32	Owsley	1.00
Breathitt	1.35	Jackson	3.00	Pendleton	2.50
Breckinridge	1.00	Jefferson	0.79	Perry	1.75
Bullitt	1.00	Jessamine	2.25	Pike	1.35
Butler	2.00	Johnson	1.73	Powell	4.00
Caldwell	1.50	Kenton	(4)*	Pulaski	0.00
Calloway	1.00	Knott	1.50	Robertson	0.00
Campbell	(2)*	Knox	1.25	Rockcastle	2.00
Carlisle	3.00	Larue	2.75	Rowan	1.25
Carroll	1.25	Laurel	2.50	Russell	0.00
Carter	1.72	Lawrence	1.95	Scott	0.50
Casey	1.75	Lee	1.07	Shelby	2.99
Christian	0.75	Leslie	1.50	Simpson	2.00
Clark	3.00	Letcher	1.25	Spencer	1.84
Clay	4.00	Lewis	3.50	Taylor	1.00
Clinton	2.50	Lincoln	(6)*	Todd	2.25
Crittenden	0.60	Livingston	0.60	Trigg	1.25
Cumberland	4.00	Logan	2.00	Trimble	1.50
Daviess	1.25	Lyon	0.60	Union	0.60
Edmonson	2.00	Madison	3.50	Warren	0.68
Elliott	1.00	Magoffin	4.00	Washington	1.00
Estill	3.00	Marion	0.00	Wayne	0.00
Fayette	2.38	Marshall Bus.	2.50	Webster	2.00
Fleming	4.00	Marshall Res.	1.50	Whitley	2.00
Floyd/P-burg Business	1.99	Martin	1.00	Wolfe	(5)*
Floyd/P-burg Residential	0.99	Mason	1.70	Woodford	3.50
Franklin	1.00	McCracken	1.50	1) 17% of base telephone rate 2) \$45 per residential unit annually 3) % added to water bill 4) \$60 per estate parcel annually 5) 3% of property tax 6) Garrard/Lincoln placed a 911 fee on water meters, lawsuit in progress	
Fulton	1.00	McCreary	2.65		
Gallatin	2.00	McLean	2.25		
Garrard	(3)*	Meade	1.00		
Grant	2.00	Menifee	2.00		
Graves	1.00	Mercer	0.80		

Appendix E

CMRS Board Account Activity Summary—Fiscal Year 2014

		FY '14 Year to Date
		Provider
		GPRVD0 6376
Beginning Balance	\$	56,782.51
Carrier Deposits	\$	4,428,614.92
Other Deposits	\$	739,035.60
Interest Deposits	\$	2,156.15
Disbursements	\$	(3,345,490.78)
Adjustments	\$	-
Ending Balance	\$	<u>1,881,098.40</u>
		Pro Rata
		GPPRO0 6375
Beginning Balance	\$	2,249,970.58
Carrier Deposits	\$	8,857,231.97
Other Deposits	\$	1,478,071.21
Interest Deposits	\$	4,312.35
Disbursements	\$	(10,360,779.58)
Adjustments	\$	-
Ending Balance	\$	<u>2,228,806.53</u>
		Volume
		GPVOL0 6377
Beginning Balance	\$	2,327,980.25
Carrier Deposits	\$	8,857,231.97
Other Deposits	\$	1,478,071.21
Interest Deposits	\$	4,312.35
Disbursements	\$	(10,405,789.15)
Adjustments	\$	-
Ending Balance	\$	<u>2,261,806.63</u>
		Administrative
		GCMRS 1322
Beginning Balance	\$	474,033.43
Carrier Deposits	\$	632,657.33
Other Deposits	\$	731,691.58
Interest Deposits	\$	308.04
Disbursements	\$	(521,023.73)
Adjustments	\$	9,256.15
Ending Balance	\$	<u>1,326,922.80</u>
		Interest
		GCMRI 6374
Beginning Balance	\$	-
Carrier Deposits	\$	-
Other Deposits	\$	-
Interest Deposits	\$	17,748.59
Transfers	\$	(14,518.58)
Adjustments	\$	-
Ending Balance	\$	<u>3,230.01</u>
		Grant Fund
		GGRNT0 630C
Beginning Balance		\$6,894,158.16
Carrier Deposits	\$	2,530,646.48
Other Deposits	\$	422,306.06
Interest Deposits	\$	1,232.09
Disbursements	\$	(1,370,772.48)
Adjustments	\$	-
Ending Balance	\$	<u>8,477,570.31</u>
Total Fund Balance	\$	<u>16,179,434.68</u>
YTD Carrier Collections	\$	25,306,382.67
YTD Other Collections	\$	4,849,175.66
YTD Interest Posted	\$	12,320.98
Adjustments	\$	9,256.15
YTD Total Collected	\$	<u>30,177,135.46</u>

Appendix F

CMRS Administrative Fund Revenue/Expense Statement FY 2014

	Fiscal YTD 12 months ended 06/30/14	FY2014 CMRS Admin Budget
REVENUE		
Carrier Receipts	\$ 638,657.33	
Interest Posted	\$ 362.98	
Tracfone Settlement		
Adjustments	<u>\$ 32.38</u>	
Total Income	<u>\$ 639,052.69</u>	
EXPENSES		
CMRS Direct Staff Expenses		
Staff Salaries/Fringe	\$ 259,704.68	\$ 264,100.00
Unemployment Compensation	\$ -	
Workers Compensation	\$ 576.27	\$ 400.00
Personnel Board Assessment	\$ 67.71	\$ 200.00
Security Guards	\$ -	\$ -
CMRS Administrative Expenses		
Employee Training	\$ 204.35	\$ 2,000.00
Prison Labor	\$ -	
Postage	\$ 90.24	\$ 250.00
Printing	\$ -	\$ 100.00
Utilities	\$ 8,174.93	\$ 9,000.00
Rent	\$ 14,535.56	\$ 15,500.00
COT/Telephone/Conf bridge/Wireless	\$ 6,349.93	\$ 6,900.00
Computer Equipment	\$ 703.94	\$ 1,000.00
kentucky.gov services	\$ 882.00	
Office Supplies etc.	\$ 3,419.14	\$ 2,500.00
Copy Machine Supplies/rental	\$ 3,659.42	\$ 4,300.00
Dues/Subscriptions	\$ 1,625.00	\$ 800.00
Furniture/Office Equip	\$ 1,448.33	\$ 500.00
Travel Employee	\$ 12,403.84	\$ 13,000.00
Carpool	\$ 4,169.92	\$ 3,500.00
Administrative Charges from KOHS	\$ -	
Exhibitor Premiums	\$ -	
Other	\$ 6,062.00	
CMRS Board Expenses		
Liability Insurance	\$ 22,316.26	\$ 25,000.00
Food	\$ 992.12	\$ 1,250.00
Travel Non-Employee	\$ 15,461.00	\$ 15,000.00
CMRS Administrative Personal Service Contracts		
Legal	\$ 102,225.46	\$ 125,000.00
Centerline Mapping Project	\$ -	\$ -
Financial Audit	\$ 48,621.78	\$ 98,469.00
Geo-Audit	\$ 7,453.65	\$ 22,643.71
Bluegrass ADD		
RCC Consultants		
Total Expenses	<u>\$ 511,767.58</u>	<u>\$ 611,412.71</u>
<i>Net Increase (Decrease)</i>	<u>\$ 127,285.11</u>	



Appendix G

FY 2015 Addenda

FY 2015 CMRS Board Budget

Grants Awarded: September 2014

Appendix G—FY 2015 Budget

Administrative Fund Revenue/Expense Report FY 2015

		FY 2015 CMRS Admin Budget
REVENUE		
	CARRIER RECEIPTS	
	INTEREST POSTED	
	OTHER REVENUE	
	ADJUSTMENTS	
TOTAL INCOME		
EXPENSES		
PERSONNEL		
E111	REGULAR SALARIES AND WAGES	\$ 166,800.00
E112	SEASONAL SALARIES AND WAGES	
E121	EMPLOYER'S FICA	\$ 11,900.00
E122	EMP RET-INC PAYMT F/SICK LEVE)	\$ 44,200.00
E123	EMPLOYER'S HEALTH INSURANCE	\$ 26,000.00
E124	EMPLOYER'S LIFE INSURANCE	\$ 100.00
E131	WORKMAN'S COMP	\$ 300.00
E132	UNEMPLOYMENT	\$ -
E133	EMPLOYEE TRAINING	\$ 2,000.00
E184	PERSONNEL BOARD ASSESMENT	
PROFESSIONAL SERVICES CONTRACTS		
E141	LEGAL SERVICES-1099 REPT	\$ 100,000.00
E142	AUDITING SV-W/FN DSCL REV-1099	\$ 100,000.00
E146	CONSULTING SERVICES-1099 REPT	
E146	CONSULTING SERVICES-1099 REPT GRANT	\$ 165,000.00
E150	OTHER PROF SERV-1099 REPT	
E170	PROFESSIONAL SERVICES W-2	
OPERATING EXPENSES		
E212	ELECTRICTY	\$ 7,600.00
E219	CABLE SERVICES	\$ 1,600.00
E222	RENT STATE OWNED	\$ 15,500.00
E224	COPY MACHINE RENTAL-1099 REPT	\$ 4,500.00
E226	CARPOOL RENTAL-ST AG	\$ 4,000.00
E229	RENTALS N/OTHERWISE CLASS-1099	
E241	POSTAGE	\$ 400.00
E243	OTH PARCEL DLVRY SRV-1099 REPT	
E251	PRINTING PAID TO ST AGENCY	\$ 100.00
E252	PRINTING PD TO VENDOR	
E254	INSURANCE PREMIUM	\$ 25,000.00
E259	EXPENSES REL T/SHOWS,FAIRS&EXP	
E321	OFFICE SUPPLIES	\$ 2,000.00
E341	FOOD PRODUCT	\$ 1,500.00
E346	FURN/FIXT/OFF EQP UNDER \$5,000	
E361	IN-STATE TRAVEL	\$ 5,000.00
E362	OUT-OF-STATE TRAVEL	\$ 9,000.00
E363	TRAVEL FOR NON-STATE EMPLOYEES	\$ 14,000.00
E381	DUES/SUBSCRIPTIONS	\$ 800.00
E399	OTHER	
E431	GRANTS-IN-AID ST GOV ENTITIES	
E432	GRANTS-IN-AID FEDERAL	
E474	TELECOMM-CMRS & UNIV SERV FUND	
E542	ON-LINE SUBSCRIP SRV-1099 REPT	
E801	COT TELEPHONE CHARGES	\$ 5,000.00
E803	COT PASS THROUGH CHARGES	\$ 500.00
E814	TELEPHONE CHARGES - WIRELESS/CELL	\$ 1,900.00
E815	TELEPHONE CHARGES-OTHER	\$ 100.00
E832	SERVER HARDWARE <\$5K	
T113	OP TR TO AGENCY REVENUE FUND	
T163	OP TR TO EXPENDABLE TRUST FUND	
TOTAL EXPENSES		\$ 714,800.00

Net Increase (Decrease)

Appendix G—FY 2015 Grant Awards

2014 FINAL Grant Committee Award Rec-

Lead Applicant Agency	Title	# of TTDs	Total Award w/ Admin
Allen Co. Fiscal Court	radio system		\$ 43,913.95
Beattyville-Lee Co. 911	radio system		\$ 95,995.00
BGADD: Franklin County	CAD	4	\$ 177,921.00
BGADD: Harrodsburg PD	CAD	3	\$ 95,829.86
BGADD: Jessamine County	recorder		\$ 34,224.70
BGADD: Jessamine County	CAD	4	\$ 44,517.63
BGADD: Powell	CAD	2	\$ 98,224.30
BGADD: Woodford County	netclock, furniture, microwave		\$ 59,603.11
Boyd Co. 911/Regional Public Safety Communication Center	radio system		\$ 140,443.22
Bracken Co. 911 Board	host/remote phone system	2	\$ 70,000.00
Breckinridge Co. Fiscal Court	CAD and recorder	2	\$ 70,052.00
Calloway Co. Fiscal Court	furniture		\$ 50,000.00
Campbell Co. Consolidated Dispatch	UPS		\$ 19,738.00
Carlisle Co. Fiscal Court	CAD	2	\$ 63,246.00
Casey Co. Fiscal Court	CAD and radio system	3	\$ 194,110.00
City of Campbellsville	CAD and recorder	4	\$ 120,702.70
City of Greensburg	radio system		\$ 97,906.00
City of Lawrenceburg	CAD	2	\$ 76,142.09
City of Paintsville	CAD	3	\$ 89,755.32
City of Winchester	host/remote phone system	4	\$ 140,000.00
Clay Co E911	recorder		\$ 22,744.82
Cynthiana/Harrison Co. E-911 Board	host/remote phone system	3	\$ 105,000.00
Edmonson County Fiscal Court	host/remote phone system	2	\$ 70,000.00
Georgetown Scott Co. 911 Center	recorder		\$ 35,775.57
Greenup Co. Fiscal Court/E911 Center	CAD	3	\$ 84,850.00
Hardin Co. Fiscal Court	host/remote phone system	4	\$ 140,000.00
Henderson Police Department	recorder		\$ 22,178.00
Jackson Co. Fiscal Court	host/remote phone system	2	\$ 70,000.00
Knox Co. 911 Board	host/remote phone system	3	\$ 105,000.00
LCADD: Wolf Creek Counties	recorder		\$ 58,408.00
City of Louisville	call taking protocols		\$ 354,286.00
McCreary Co. Fiscal Court	CAD	2	\$ 67,250.00
Menifee Co. Fiscal Court	mapping hardware/software		\$ 33,726.78
MSU Dept. of Public Safety	CAD	2	\$ 80,436.44
Muhlenberg Co. Fiscal Court	admin phone system		\$ 32,500.72
Murray Police Dept.	host/remote phone system	2	\$ 70,000.00
Nelson Co. E911 Dispatch Board	CAD	4	\$ 180,500.00
Ohio Co. Sheriff's Office	radio system		\$ 38,157.50
Paris-Bourbon Co. E911	P25 "switch" in PSAP		\$ 9,569.75
Pendleton Co. Fiscal Court	CAD	3	\$ 89,217.42
Shelby Co. Fiscal Court	CAD and recorder	3	\$ 180,000.00
Webster Co. Fiscal Court	recorder		\$ 24,375.00
			\$ 3,656,300.88

Grant Awards Pending Until a Later Date

LFUCG	host/remote phone system	22	\$ 703,430.41
BGADD: Bluegrass 911	CAD	4	\$ 112,012.50
BGADD: Bluegrass 911	recorder		\$ 30,580.08

Grant Award Pending Until Additional Information is Received

LCADD: Wolf Creek Counties	CAD	14	pending
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